



**Notice is hereby given that on January 15, 2021,
the Board of Directors of Tarrant Appraisal District
will meet in open session beginning at 9:00 a.m.
via telephone conference call**

Telephone Conference Call Meeting

844-992-4726 toll free

Event / Access Code 126 191 8213

If you have no attendee number, press # to proceed.

Due to health and safety concerns related to the COVID-19 epidemic, this meeting will be conducted by telephone conference call in accordance with the Texas Open Meeting Act, suspensions of certain requirements of the Act announced by the Office of the Texas Governor on March 16, 2020 and applicable directives and guidance from the Governor since the state of disaster was first declared on March 13, 2020.

To view the agenda packet go to:

<https://www.tad.org/about/board-of-directors/>

The public is invited to listen to the meeting and may do so by calling the phone number and using the Event / Access Code above. The public is invited to address the Board only during the Public Comments period under Agenda Item 4 regarding any item on the Agenda and other issues under the Board's jurisdiction. To do so, contact Carol Thornton at cth Thornton@tad.org or 817-595-6004 before noon (12:00 p.m.) on Thursday, January 14, 2021.

During the Public Comments period, the Chairman will allow each speaker five minutes but may expand the time as needed if doing so will not interfere with the Board's completing its business and adjourning its meeting at a reasonable time. The Board may refuse to hear comments on subjects not reasonably related to items on the Agenda, to policies and procedures of Tarrant Appraisal District or Tarrant Appraisal Review Board, or to other issues under the Board's jurisdiction. The Board may not respond to comments regarding items not on the Agenda.

AGENDA

- 1. Call to Order**
- 2. Verify Presence of Quorum and Posting of Meeting Notice**
- 3. Pledges of Allegiance; Invocation**
- 4. Elect Chairman and Secretary of the Board**
- 5. Recognize Visitors; Hear Public Comments**
- 6. Discussion Item**

Review of protests of property tax appraisals in Tarrant County as compared to other major metropolitan counties and related issues

7. Action Items

- a. Consider and Act on Consent Agenda Items
 - (1) Consider Approval of Minutes of December 11, 2020 Meeting
 - (2) Consider Approval of Payment for Annual Maintenance and Support Services provided by Manatron, Inc. and Payment of Annual Escrow Fee
 - (3) Consider Authorizing Negotiation of Professional Services Agreement for TAD.org Maintenance, Support, and Development for 2021
 - (4) Consider Authorizing Annual Renewal of Software Maintenance Licenses for All ESRI Software Products in Support of the District's Geographic Information Systems (GIS) Appraisal Mapping System
 - (5) Consider Consenting to Appointment of Agricultural Advisory Board
- b. Authorize TAD Staff to Negotiate a Proposed Contract – Homestead Exemption Review Services
- c. Consideration and Approval of the Final Acceptance of the Initial Software Project and Authorization of Final Payment
- d. Consider Proposed Revision of Purchasing Policies and Procedures

8. Information Items

- a. Report by Taxpayer Liaison Officer
- b. Report by ARB Chairman
- c. Report by Chief Appraiser
 - (1) COVID-19 impact on District's staff
 - (2) Status of work on and projections of 2021 appraisals

9. Propose Future Agenda Items; Set Next Meeting Date; Adjourn

Jeff Law
Executive Director / Chief Appraiser

AGENDA PACKET

Board of Directors of Tarrant Appraisal District

January 15, 2021

Agenda Item 7(a)(1): Consider Approval of Minutes of December 11, 2020 Meeting

**Tarrant Appraisal District
Board of Directors Meeting Minutes
December 11, 2020**

Due to health and safety concerns related to the COVID-19 epidemic, the December 11, 2020 meeting was conducted by telephone conference call in accordance with the Texas Open Meeting Act, suspensions of certain requirements of the Act announced by the Office of the Texas Governor on March 16, 2020 and applicable directives and guidance from the Governor since the state of disaster was first declared on March 13, 2020.

These Minutes are a summary of only the subjects the Board addressed and the actions it took. For details, see the Agenda, complete Agenda Packet, and full Audio Recording of the December 11, 2020 meeting that are posted on Tarrant Appraisal District's website at this URL:

<https://www.tad.org/about/board-of-directors/>

Times noted in parentheses below refer to that Audio Recording.

Members who participated by telephone conference call:

Ms. Kathryn Wilemon, Chairman
Mr. Rich DeOtte, Secretary
Ms. Wendy Burgess
Mr. Gary Losada
Mr. J. R. Martinez
Mr. Tony Pompa

Also participating:

Mr. Jeff Law, Chief Appraiser
Ms. Catherine Jane Alder, District's attorney

Ms. Wilemon called the meeting to order; Mr. Law verified the presence of a quorum and timely posting of notice of the meeting; Ms. Burgess led pledges of allegiance; and Mr. Michael Glaspie delivered the invocation. The Board then took up the following items on the Agenda.

4. Recognition of Visitors; Public Comments (starts at 04:04)

The Board recognized and heard comments from the following: Ms. Barbara Williams, Mr. Peter Slover, Mr. Chandler Crouch, Mayor Pat Jacob, Mr. Jerry Ducay, and Mr. George Dodson.

5. **Recess to Executive Session pursuant to Texas Government Code Section 551.071, including for the following purpose:**

Consultation with legal counsel regarding consideration and approval of the Final Acceptance of the initial software project and authorization of Final Payment.

(starts at 29:35)

6. **Return to Open Session** *(starts at 30:46)*

Roll call verified presence of a quorum.

7. **Action Items**

a. **Approval of minutes of November 13, 2020 meeting** *(starts at 32:36)*

Mr. Losada moved to approve proposed minutes as revised; Mr. Martinez seconded; and motion carried unanimously.

b. **Consideration and approval of the Final Acceptance of the initial software project and authorization of Final Payment** *(starts at 34:51)*

Mr. Pompa moved to table this item until next month and requested staff bring back a full report that can be done in open session; Mr. Martinez seconded; and motion carried unanimously.

c. **Consider bid and contract awards – Group Medical, Dental, Vision, Health Savings Account, Life & Accidental Death & Dismemberment, Long Term Disability, and Voluntary Short-Term Disability for Active Employees** *(starts at 36:43)*

Mr. DeOtte moved to approve the staff recommendation below; Ms. Burgess seconded. After some discussion, Mr. Pompa called the question. Ms. Wilemon, Mr. DeOtte, Mr. Martinez, and Mr. Pompa voted yes and Mr. Losada voted no. After further discussion, the Board again voted on the call of the previous question. On whether to end debate, Ms. Wilemon, Mr. Martinez, and Mr. Pompa voted yes and Mr. DeOtte and Mr. Losada voted no. The call of the question having received 3 yes and 2 no votes, the Board then voted on the previous question. On Mr. DeOtte's motion seconded by Ms. Burgess to approve the staff recommendation below, Ms. Wilemon, Mr. DeOtte, Mr. Martinez, and Mr. Pompa voted yes and Mr. Losada voted no. The motion carried.

Staff recommendation:

Move that United Healthcare be awarded the contract of Group Medical, Dental and Vision based on the rates shown above for a 12 month term. Further, continue to contribute \$50 per participant per month to the HSA through Optum Bank. Move also that Lincoln Financial be awarded the contract for Life, Accidental Death & Dismemberment, Long Term Disability and Voluntary Short Term Disability for a 12 month term with the 2 year rate guarantee.

- 1) Award contract to United Healthcare for Group Medical, Dental and Vision at the rates shown above for a 12 month term as set out in "PROPOSED MONTHLY GROUP MEDICAL COST FOR TAD" and "PROPOSED DENTAL BENEFITS AND MONTHLY COST FOR TAD" above;
- 2) Continue to contribute \$50 per participant per month to the HSA through Optum Bank; and
- 3) Award contract to Lincoln Financial for Life, Accidental Death & Dismemberment, Long Term Disability and Voluntary Short Term Disability for a 12 month term with the 2-year rate guarantee.

d. Authorize TAD staff to negotiate a proposed contract – Homestead Exemption Review Services *(starts at 57:26)*

Ms. Burgess moved to approve Linebarger and Mr. Martinez seconded. After some discussion, Mr. Losada called the question and Mr. Martinez seconded. On the call of the question, Ms. Wilemon, Mr. DeOtte, Mr. Losada, and Mr. Pompa voted yes and Mr. Martinez voted no. The call of the question having received 4 yes and 1 no votes, the Board then voted on the previous question, restated as a motion by Ms. Burgess and seconded by Mr. Martinez to select Linebarger at Phase 3 level. Ms. Wilemon and Mr. Martinez voted yes; Mr. DeOtte, Mr. Losada, and Mr. Pompa voted no. The motion failed.

Mr. DeOtte moved to refer this item back to staff for reconsideration and more full disclosure before our next meeting; Mr. Losada seconded; and the motion carried unanimously.

e. Consider granting and funding a retiree pension cost of living adjustment (COLA) for 2021 *(starts at 1:28:28)*

Mr. Martinez moved to approve staff recommendations below; Mr. DeOtte seconded; and the motion passed unanimously.

Staff Recommendations:

- 1) Authorize a 2% COLA for TAD retirees for 2021;

- 2) Authorize transfer of \$825,000.00 from the Committed Fund for Retirement Unfunded Liabilities to the General Fund for use in reducing the unfunded actuarial accrued liability; and
- 3) Authorize payment of \$825,000.00 to TCDRS for use in reducing the unfunded actuarial accrued liability of TAD's retirement plan.

f. Consider Adoption of Qualified Replacement Benefit Arrangement with the Texas County and District Retirement System *(starts at 1:30:49)*

Mr. Martinez moved to approve staff recommendation below; Mr. DeOtte seconded; and the motion passed unanimously.

Staff Recommendation:

Adopt a Qualified Replacement Benefit Arrangement under the "Texas County and District Retirement System Qualified Replacement Benefit Arrangement" program.

g. Consider End User License Agreements (EULA) for Marshall & Swift Rate Tables and Moore's Precision Rate Tables *(starts at 1:31:57)*

Mr. Martinez moved to approve staff recommendation below; Mr. DeOtte seconded; and the motion passed unanimously.

Staff Recommendation:

Authorize TAD staff to execute End User License Agreements with Manatron, Inc. for the use of Marshall & Swift and Moore's Precision Data rate table data for a one-year term with the annual license fee(s) not to exceed a combined total of \$65,833.11.

h. Consider appointment of Taxpayer Liaison Officer *(starts at 1:32:50)*

Mr. DeOtte moved to approve staff recommendation below; Mr. Martinez seconded; and the motion passed unanimously.

Staff Recommendation:

Appoint Shirley Jacobson to the position of Taxpayer Liaison Officer beginning January 1, 2021.

i. Consider options for committing unspent funds from 2020 Budget *(starts at 1:33:37)*

Mr. DeOtte moved to approve staff recommendations below; Mr. Martinez seconded; and the motion passed unanimously.

Staff Recommendations:

- 1) Authorize payment of \$1,250,000 out of the unspent 2020 funds to TDCRS to reduce TAD's unfunded liability; and
- 2) Credit or refund to the taxing units, allocated in the manner provided by Section 6.06(j), all of the unspent 2020 remaining after payment of \$1,250,000 to TDCRS

8. Information Items

- a. Report by Taxpayer Liaison Officer (*starts at 1:42:37*)

Ms. Jacobson reported on the 5 inquiries in November which bring the total number of inquiries in 2020 to 79.

- b. Report of Chief Appraiser (*starts at 1:46:43*)

Mr. Law reported on work done on protest review, including development, distribution, and receipt of responses to requests for qualifications for Ad Valorem Protest Review Services and Communications Survey Services and consultation with researchers at University of Texas at Dallas.

9. Propose future agenda items; set next meeting date; adjourn

In addition to the Board's actions on Items 7(b) and 7(d), Board members asked that the following be included on the agenda for the next meeting: protest audit, response to letter from Senator Nelson, and related matters; grouping items unlikely to require discussion into a consent agenda; and annual and year-to-date budget and expenditure report.

The next meeting date is January 15, 2021.

The meeting adjourned at 12:40 p.m. (*at 2:06:28*)

Agenda Item 7(a)(2): Consider Approval of Payment for Annual Maintenance and Support Services provided by Manatron, Inc. and Payment of Annual Escrow Fee

Amendment #1 to Agreement TX2010.014 to the contract for the purchase and ongoing support of the Aumentum software requires the District to make annual maintenance payments (a/k/a “Software Support Services Fees”). The District is also contractually obligated to pay annual escrow fees.

The maintenance payment for 2021 is the Year #7 “adjusted annual price” of **\$292,672** on the following schedule:

ANNUAL MAINTENANCE AND SUPPORT FEES

Software Product	Original Annual Price	Adjusted Annual Price
GRM Records, Enterprise Edition		
GRM Real Property (CAMA)		
GRM Personal Property		
GRM Assessment Administration		
GRM Appeals Management (includes ARB functionality & iSettle)		
Total Annual Software Support Services Fees:	\$259,885.00	
Adjusted Total Annual Software Support Services Fees: Year #1	\$259,885	\$259,885
Adjusted Total Annual Software Support Services Fees: Year #2	\$267,682	\$265,082
Adjusted Total Annual Software Support Services Fees: Year #3	\$275,712	\$270,384
Adjusted Total Annual Software Support Services Fees: Year #4	\$283,983	\$275,792
Adjusted Total Annual Software Support Services Fees: Year #5	\$292,503	\$281,307
Adjusted Total Annual Software Support Services Fees: Year #6	\$301,278	\$286,934
Adjusted Total Annual Software Support Services Fees: Year #7	\$310,316	\$292,672
Adjusted Total Annual Software Support Services Fees: Year #8	\$319,626	\$298,526
Adjusted Total Annual Software Support Services Fees: Year #9	\$329,215	\$304,496
Adjusted Total Annual Software Support Services Fees: Year #10	\$339,091	\$310,586

An annual escrow fee of **\$2,625** is payment through Manatron for a source code escrow account with a third party, Iron Mountain, that maintains the a current version of the Aumentum software source code.

Manatron has invoiced the District and payment is due for the **\$292,672** maintenance payment and the **\$2,625** escrow fee. Funds are available in the 2021 budget for payment of this invoice.

Staff Recommendation:

Authorize payment to Manatron for invoice in total amount of \$295,297.00 for annual maintenance fees (a/k/a “Software Support Services Fees”) in the amount of \$292,672.00 and annual escrow fee in the amount of \$2,625.00.

Action Item 7(a)(3): Consider Authorizing Negotiation of Professional Services Agreement for TAD.org Maintenance, Support, and Development for 2021

The District intends to continue to engage Ardent Creative, Inc. – a Fort Worth-based website and social media development company – to partner with us in performing the task list described below. Ardent has, through years of custom development, obtained a knowledge and efficiency in working with TAD.org that offers our customers a very good value with expertise and quality service.

It is estimated that these work items would require approximately 400 man-hours at \$125 per hour. Funds for this request are included in the 2021 TAD Budget, Department 4000 – Information Services, Account 5040 – Other Professional Services, Line Item - “Public-facing TAD/TARB Website . . . \$100,000”.

Usage of Tarrant Appraisal District’s website, TAD.org (<https://www.tad.org/>), continues to grow tremendously. Originally launched in the late 1990s as a very basic but respectable “Web 1.0” public portal, TAD.org has transitioned into a highly interactive, interoperable, “Web 2.0” platform serving property owners, property tax professionals, and many other public and private industries. In 2020, TAD.org served millions of unique visitors and surpassed 85,000 unique electronic communications contract holders representing hundreds of thousands of parcels. In turn, these advanced users of TAD.org were able to protest (and in most cases quickly settle online) tens of thousands of market values, retrieve hundreds of thousands of evidence documents, initiate written communication directly with TAD employees by appraisal/exemption specialty, receive notification of electronic document delivery through Constant Contact, and, in many cases, self serve their informational needs from the convenience of their own PC, Mac, tablet, or smart phone. And all of this on their own schedule.

Our long-term goals for TAD.org support a philosophy of providing our customers with a complete online service option that would rival the breadth, depth, and quality of what in the past had only been available with a personal visit, phone call, or email. The following work goals for 2021 continue us along this path:

- Enhance the authentication, validation, and ease of signing up for online account holders.
- Accomplish updates and upgrades to the WordPress framework, Elastic Search, and other supporting software programs.
- Enhance the ‘View Documents’, ‘ARB Evidence’, and ‘My Dashboard’ features for TAD.org online account holders as well as ‘Lite Access’ users.
- Other general maintenance and support.

Staff recommendation:

Authorize staff to negotiate professional services agreement with Ardent Creative, Inc. for continued maintenance, support, and development of TAD.org functionality in 2021 and in an amount not to exceed \$100,000.

Action Item 7(a)(4): Consider Authorizing Annual Renewal of Software Maintenance Licenses for All ESRI Software Products in Support of the District’s Geographic Information Systems (GIS) Appraisal Mapping System

Appraisal districts are required to develop and maintain a system of tax maps that meet certain requirements of scale, sectioning, records-numbering etc. They may do so in electronic data processing records rather than physical documents.

For over 20 years the District’s GIS department has built its electronic mapping system around the software products of the Environmental Systems Research Institute – known informally as “ESRI”. These products serve TAD stakeholders both internally and externally from the inception of a particular map product to the delivery of online GIS data via TAD.org’s popular “Interactive Maps” feature. The District’s GIS receives frequent requests from cities, school districts, special districts, the general public, and the business community for spatial representation of the property data we maintain. ESRI products allow our staff the features, power, and options to fulfill these requests accurately, professionally, and quickly. The current suite of mapping products the District utilizes includes basic and advanced desktop applications as well as server and cloud-based applications.

These items would be purchased utilizing the Texas Department of Information Resources contract number DIR-TSO-3446.

Staff Recommendation:

Authorize renewal of software maintenance licenses from ESRI for all GIS software products in support of the District’s appraisal mapping system, with purchase to be made through the Texas Department of Information Resources contract in an amount not to exceed \$29,200.00.

Action Item 7(a)(5): Consider Consenting to Appointment of Agricultural Appraisal Advisory Board

Section 6.12 of the Texas Property Tax Code states, “The chief appraiser of each appraisal district shall appoint, with the advice and consent of the board of directors, an agricultural advisory board composed of three or more members as determined by the board”.

Agricultural Advisory Board members must be landowners within the District whose land qualifies for agricultural appraisal and must have been residents of the District for at least five years. Mr. Mark Stucks, Mr. William Hornick and Mr. Dale Rector have previously been appointed to the board, meet all qualifications, and are willing to continue to serve on the board.

Staff Recommendation:

Consent to the reappointment of current members Mr. Mark Stucks, Mr. William Hornick and Mr. Dale Rector to the Agricultural Advisory Board.

Agenda Item 7(b): Authorize TAD Staff to Negotiate a Proposed Contract – Homestead Exemption Review Services

In the Board’s meeting on December 11, 2020, Mr. DeOtte moved to refer this item back to staff for reconsideration and more full disclosure; Mr. Losada seconded; and the motion carried unanimously. .

The material for this item in the December Agenda Packet is copied onto the following three pages with some formatting changes but no changes in content.

The more full disclosure that the Board requested is set out in detail in the 13 pages following those December Agenda Packet items. Two comparisons included in that detailed materials are set out here for easy reference:

Final Evaluation average scoring of proposals by staff:

	Maximum Points	LexisNexis Risk Solutions	Linebarger Attorneys	Tyler Technologies
Letter of Introduction & Executive Summary	5	5	5	5
Project Approach & Work Plan*	30	21.7	21.7	30
Project team Qualifications & Relevant Experience**	30	23.3	21.7	26
Proposed Cost of Service***	35	21.7	23.3	31.7
	100	71.7	71.7	92.7

*should include the review of Test A and Test B

**should include review of references

***may include review of payment options

	LexisNexis Risk (Tax Management Associates)	Linebarger Attorneys at Law	Tyler Technologies (The Exemption Project)
Option 1 Basic Review Services	\$468,000	\$875,250	\$379,250
Option 2 Intermediate Review Services	\$509,600	\$1,653,250	\$379,250
Option 3 Full of “Turn Key” Review Services	\$2,730,000	\$2,236,750	\$1,396,920

Action Item 7(d): Authorize TAD staff to negotiate a proposed contract – Homestead Exemption Review Services

In March of 2020, The Tarrant Appraisal District (TAD) requested proposals for an outside vendor to identify erroneously granted homestead exemptions. Examples of erroneously granted exemptions may include people who are either renting their homes but were granted a homestead exemption, people receiving exemptions on multiple homes (both in Tarrant County and any other County in-state or out of state), people not residing in the home while receiving homestead exemption or otherwise may not qualify for the exemption being claimed. There are approximately 390,000 various homestead exemptions on parcels owned by Tarrant County residents. To combat erroneously granted homestead exemptions, TAD seeks a homestead exemption research solution to address the potential impact of improperly granted homestead exemptions on the finances of local taxing units and the overall mission of providing both tax fairness and the best possible service and operational performance to Tarrant County taxpayers.

In the RFP, TAD seeks a homestead research solution that uniquely identifies any homestead account, and systematically identifies homestead exemptions with a high risk of having been erroneously granted. This research solution should utilize sources including, but not limited to, nationwide information on deceased individuals, out-of-country residents, multiple homes, and multiple homestead exemption forms.

The following bullet points outline the RFP issuance and review process:

Original RFP issued:

- March 13, 2020

Original RFP due date:

- April 17, 2020

Original due dates were revised as a result of "Covid Pandemic" disruptions

Revision Date Notification:

- March 23, 2020

Revised Due Date:

- July 17, 2020

The RFP asked for proposals with these three options:

- "Basic data only" returned of potential erroneously granted homestead exemptions
- "Intermediate" – basic data above, plus some additional resources provided
- "Turnkey or Full Service" – vendor performs all services

Also required by prospective vendor per the RFP:

- Analysis of all residential properties on tax roll for indication of erroneously granted homestead exemption (Test A)

- Random representative sample of 2% of initial findings to include all of the detail used to identify potentially erroneously granted exemption (Test B)

RFP was advertised in an appropriate publication of general circulation over two successive weeks and the RFP was also specifically delivered to the following qualified vendors previously identified:

- Assessure
- CoreLogic
- The Exemption Project
- LexisNexis Risk
- Linebarger law firm
- Purdue, Brandon, Fielder, Collins and Mott law firm

Timely proposals were received from three qualified vendors:

- LexisNexis Risk
- Linebarger law firm
- Tyler Technologies (The Exemption Project)

References that were provided by prospective vendors were contacted and asked to submit a lengthy questionnaire regarding their experience with the prospective vendor:

- References contacted: 34
- Questionnaires returned: 21

Test A/Test B Results due date from prospective vendors:

- September 18, 2020

Results of Test “A” that were run against entire file including approximately 390,000 various homestead accounts by each vendor:

- Initial indications of potential erroneously granted exemptions from the three vendors ranged from approximately 9,600 to 37,000

The representative sample (Test “B” 2%) was vetted by TAD staff that performed independent research on the samples to test for actual “true” result. Those results percentages were extrapolated over the Test A results:

- Potential “true” results for the three vendors now range between approximately 4,200 to 4,900

WebEx meetings to ask clarifying questions about the proposals were held with each vendor:

- Between October 22-29, 2020

Proposals were evaluated in these general areas:

- Introductory/Executive Summary
- Project Approach/Work Plan (incl. Test A/B results)
- Project Team Qualifications/Relevant Experience (incl. review of references)
- Proposed Cost of Services (incl. payment options)

Staff Conclusion and Recommendation:

- After review and testing, TAD staff has determined that the “intermediate” services proposed by Tyler Technologies (The Exemption Project) provides the best service and best value to TAD in providing review services for homestead exemptions that may be discovered to have been erroneously allowed, as that term is used in Chapter 11 of the Tax Code.

Staff Recommendation: Authorize TAD staff to negotiate a proposed contract with Tyler Technologies, Inc. to provide homestead exemption review services at the “intermediate” level in an amount not to exceed \$380,000.

Homestead Exemption Review Services RFP Evaluation Process

Definitions of Homestead Exemptions:

GENERAL RESIDENCE HOMESTEAD (Tax Code Section 11.13(a), (b)): You may qualify for this exemption if: (1) you owned this property on Jan. 1; (2) you occupied it as your principal residence on Jan. 1; and (3) you and your spouse do not claim a residence homestead exemption on any other property.

AGE 65 OR OLDER (Tax Code Section 11.13(c), (d)): You may qualify for this exemption if you are 65 years of age or older. This exemption is effective Jan. 1 of the tax year in which you become age 65. An eligible disabled person age 65 or older may receive both exemptions in the same year, but not from the same taxing units.

DISABLED PERSON (Tax Code Section 11.13(c), (d)): To qualify for this exemption, you must be under a disability for purposes of payment of disability insurance benefits under federal Old-Age, Survivors and Disability Insurance Act. You may receive this exemption in addition to the exemptions provided in 11.13(a), (b), General Residence Homestead. An eligible disabled person age 65 or older may receive both exemptions in the same year, but not from the same taxing units.

100% DISABLED VETERAN (Tax Code Section 11.131(b)): You may qualify for this exemption if you are a disabled veteran who receives from the United States Department of Veterans Affairs or its successor: (1) 100 percent disability compensation due to a service-connected disability; and (2) a rating of 100 percent disabled or individual unemployability. This exemption is immediate upon qualification for the applicable portion of the tax year.

SURVIVING SPOUSE OF DISABLED VETERAN WHO QUALIFIED OR WOULD HAVE QUALIFIED FOR THE 100% DISABLED VETERAN (Tax Code Section 11.131(c), (d)): You may qualify for this exemption if you were married to a disabled veteran who qualified for an exemption under Tax Code Section 11.131(b) at the time of his or her death or would have qualified for the exemption if the exemption had been in effect on the date the disabled veteran died and: (1) you have not remarried since the death of the disabled veteran and (2) the property was your residence homestead when the disabled veteran died and remains your residence homestead. Documentation must be provided to support this exemption request.

OVER-55 SURVIVING SPOUSE OF A PERSON WHO RECEIVED THE OVER-65 OR DISABLED PERSON (Tax Code Section 11.26, 11.261): provides for continuance of established tax ceilings on the county, county college, city and school for a spouse of a deceased individual who qualified for the disabled person or over-65 exemption. You qualify for an extension of the over 65 exemptions if you were 55 years of age or older on the date your spouse died and your spouse was receiving the age 65 exemption on this residence. You cannot receive this exemption if you receive an exemption under Tax Code Section 11.13(d). Documentation must be provided to support this exemption request.

DONATED RESIDENCE HOMESTEAD OF PARTIALLY DISABLED VETERAN (Tax Code Section 11.132(b)): You may qualify for this exemption if you are a disabled veteran with a disability rating of less than 100 percent. An exemption from taxation of a percentage of the appraised value of the disabled veteran's residence homestead equal to the disabled veteran's disability rating if the residence homestead was donated to the disabled veteran by a charitable organization: (1) at no cost to the disabled veteran; or (2) at some cost to the disabled veteran in the form of a cash payment, a mortgage, or both in an aggregate amount that is not more than 50 percent of the good faith estimate of the market value of the residence homestead made by the charitable organization as of the date the donation is made.

SURVIVING SPOUSE OF DISABLED VETERAN WHO QUALIFIED FOR THE DONATED RESIDENCE HOMESTEAD (Tax Code Section 11.132(c), (d)): You may qualify for this exemption if you were married to a disabled veteran who

qualified for an exemption under Tax Code Section 11.132(b) at the time of his or her death and: (1) you have not remarried since the death of the disabled veteran and (2) the your residence homestead when the disabled veteran died and remains your residence homestead.

SURVIVING SPOUSE OF MEMBER OF ARMED FORCES KILLED IN ACTION (Tax Code Section 11.133(b), (c)): You may qualify for this exemption if you are the surviving spouse of a member of the United States armed services who is killed in action and you have not remarried since the death of the member of the armed services.

SURVIVING SPOUSE OF A FIRST RESPONDER KILLED WHILE ON DUTY (Tax Code Section 11.134(b)): You may qualify for this exemption if you are the surviving spouse of a first responder who is killed or fatally injured in the line of duty. The surviving spouse is entitled to an exemption from taxation of the total appraised value of the surviving spouse's residence homestead if the surviving spouse: (1) is an eligible survivor for purposes of Chapter 615, Government Code, as determined by the Employees Retirement System of Texas under that chapter; and (2) has not remarried since the death of the first responder.

What TAD Staff does currently to review existing homestead exemptions and new applications for homestead exemptions:

Currently, when processing and reviewing homestead exemption applications, Support Services staff conduct the following:

- Verification of ownership
- Verification of identification provided by property owner and verification that signature is on application
- Property type verification to make sure it is authorized to receive exemption
- A check of mailing address vs property location address
- A search for other properties with same ownership
- Verification that no other exemptions are being claimed on other properties owned
- Verification of the age of applicant
- Verification of disability documents provided
- Verification of Trust documents
- If information is missing additional research done by utilizing LexisNexis "Accurint" software, voter registration information, "white pages" website, limited available obituary information and limited voter registration death records from County Clerk, available public data and, if necessary, additional "request for information" letters are sent.
- If there is any "status change" (mailing address, owner name change, trust etc.), a request is sent to property owner to submit new application.
- Disabled exemption holders are sent a request for a new application every three years to verify eligibility.

Solution sought to aid in discovery and potential removal of erroneously granted homestead exemptions:

In March of 2020, The Tarrant Appraisal District (TAD) requested proposals for an outside vendor to identify erroneously granted homestead exemptions. Examples of erroneously granted exemptions may include people who are either renting their homes but were granted a homestead exemption, people receiving exemptions on multiple homes (both in Tarrant County and any other County in-state or out of state), people not residing in the home while receiving homestead exemption or otherwise may not qualify for the exemption being claimed. There

are approximately 390,000 various homestead exemptions on parcels owned by Tarrant County residents. To combat erroneously granted homestead exemptions, TAD seeks a homestead exemption research solution to address the potential impact of improperly granted homestead exemptions on the finances of local taxing units and the overall mission of providing both tax fairness and the best possible service and operational performance to Tarrant County taxpayers.

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Timeline for the Request for Proposals:

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- April 17, 2020

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Revision Date Notification:

- March 23, 2020

Revised Due Date:

- July 17, 2020

Test A/Test B Results due date from prospective vendors:

- September 18, 2020

RFP was advertised in an appropriate publication of general circulation over two successive weeks and the RFP was also specifically delivered to the following qualified vendors previously identified:

- Assessure
- CoreLogic
- The Exemption Project
- LexisNexis Risk
- Linebarger Attorneys at Law
- Purdue, Brandon, Fielder, Collins and Mott Attorneys at Law

Timely proposals were received from three qualified vendors:

- LexisNexis Risk (Tax Management Associates)
- Linebarger Attorneys at Law
- Tyler Technologies (The Exemption Project)

The RFP asked for proposals with these three options:

Proposals submitted to TAD were to include **three (3) options**, a full “turn-key” proposal as well as one proposal for basic data analysis only and one proposal that is a combination or “hybrid” of the other two options.

Option 1: Basic Review Services:

Proposer provides evaluations and review services and provides the TAD with a scored data list, or series of lists, of accounts with the potential for improper exemption status.

Option 2: Intermediate Review Services:

Proposer provides more of an “ala carte” option to provide some services. For example, categorization by reason, analysis support to the TAD staff, analysis tools to support TAD research, support of evaluation results and scored data, and provides TAD with a list, or series of lists, of possible and potential accounts with improper exemption status.

Option 3: Full or “Turn Key” Review Services:

Proposer provides evaluations and review services, vets the data returned as a result of the review, performs additional investigation services through communications, inquiries and/or correspondence directly with property owners and/or occupants of flagged properties, and provide to the TAD a list or series of lists of reliable and verified accounts with improper exemption status.

References that were provided by prospective vendors per requirement of the RFP were contacted and asked to submit a lengthy questionnaire regarding their experience with the prospective vendor:

Questions asked of references were as follows:

1. What percent complete are you in your exemption research process? (ex. 25%, 50% etc.)
 - How long did it take to get to this level of completion?
 - Does this level of completion meet or exceed your expectations? Explain why or why not.
2. How many parcels did the vendor research against its database?
 - How many parcels are in your database?
 - What parameters or criterion were used to determine the number of parcels to be researched by the vendor?
3. Did the vendor narrow the number of potential erroneously granted exemptions with subsequent “runs” against its database? What was the original indication, versus final indication of potentially erroneously granted exemptions?
4. What was the final number of erroneously granted exemptions removed?
 - Did the vendor’s report provide enough feedback/detail to confirm the granted exemption was erroneous?

5. If you know it, what was the dollar amount of omitted value added to the tax roll?
6. If you know it, what is the estimate of tax dollars returned to entities based on the value added back to the tax roll?
7. If you know the breakdown, what were the numbers of erroneously granted exemptions for?
 - Deceased:
 - Deceased, multiple names:
 - In-county multiple exemptions:
 - Out of county multiple exemptions:
 - Out of state multiple exemptions:
8. Did the review look at multiple years? How many?
9. Did the vendor project a number of potentially erroneous exemptions that they believe they would discover in the bid process? What was the projection?
 - What was the actual number?
 - If there was more than a 5% difference (+/-) of the total sample size in the projection vs. the actual number, what reason(s) did the vendor provide for the difference?
10. Prior to contracting with a third party vendor for Exemption Research Services, what tools/resources/processes did your agency use to review for potentially erroneously granted exemptions? (Ex. software products, number of staff, publications etc.)
11. Looking back on your contract negotiations for Exemption Research Services, is there anything you would do differently?
12. Is there anything about the Exemption Research Services in which you have been disappointed or that has not met expectations?
 - If so, how is the vendor helping to correct this concern or meet the expectation?
13. How many staff members has the vendor dedicated to your project?
 - Will you need to hire or dedicate additional staff to this project?
14. How responsive has the vendor been to questions etc.?
15. What was the primary reason for removal of erroneously granted exemptions (ex. out of county multiple exemption) that your agency was unable to discover through your research?
16. Did you choose to have vendor provide a “turn-key” solution where the vendor researches and discovers potential erroneously granted exemptions and verifies the validity and provides a “final” list of erroneously granted exemptions for removal?
 - If you chose a “turn-key” solution, will you do the same in the future? Why or Why not?
17. If you did not choose a “turn-key” solution, what processes is the vendor providing and what processes is your agency performing?
 - Do you, or would you, plan to “upgrade” to a “turn-key” or fuller solution in the future? Why or why not?

18. What are the two most positive comments you have about the vendor and the service provided?
19. What are the two most constructive criticisms you have of the vendor and the services provided?
20. What feedback, if any, did you receive from your local tax offices or taxing units related to the homestead exemption research and/or the vendor?

Total number of references contacted: 34

Questionnaires returned and reviewed: 21

A “Solution/Service Demonstration” was also required to be provided by prospective vendors per the RFP:

After initial review of the proposals, the prospective vendors were also required to provide a demonstration of its database search results and investigative results. The demonstration was to be performed against a sample of TAD’s current data base that was provided to each proposer. The demonstration was required to include a full description of the processes and types of data used in the assessment.

From TAD Purchasing Policy:

9.0 Confidentiality of Information in Bids or Proposals

- 9.1 Trade secrets and confidential information in competitive sealed bids are not open for public inspection. Vendors submitting bids need to identify and mark, with the word “confidential” in plain sight, any documents containing trade secrets or confidential information before it will be maintained as confidential.**
- 9.2 If provided in a request for proposals, proposals shall be opened in a manner that avoids disclosure of the contents to competing offerors and keeps the proposals secret during negotiations. All proposals are open for public inspection after the contract is awarded, but trade secrets and confidential information in the proposals are not open for public inspection. Individuals or businesses submitting proposals need to identify and mark, with the word “confidential” in plain sight, any documents containing trade secrets or confidential information before it will be maintained as confidential.**

10.0 Action by the Board of Directors

- 10.4 After a complete and thorough review of all quotations, qualified bids, proposals, or qualification statements, the Chief Appraiser or his/her designee will provide information, summaries, tabulations and award recommendations to the TAD board of directors when applicable. The board may review the information provided and ask additional questions to gain a clear understanding and do one of the following:**

- 10.4.1 For bids, award the bid to either the lowest responsible bidder or to the bidder who provides goods or services at the best value for the district, or reject any and all bids and re-advertise for new bids;**
- 10.4.2 For proposals, award the contract to the responsible offeror whose proposal is determined to be the most advantageous to the district considering the relative importance of price and the other evaluation factors included in the request for proposals. TAD’s board of directors reserves the right to reject all, or a portion of all, proposals submitted;**
- 10.4.3 For defined professional services, award the contract to the professional service provider based on the qualifications and demonstrated competence to perform the services for a fair and reasonable fee. Fees under the contract may not exceed any maximum provided by law. For architects, engineers, and land surveyors, fees are subject to negotiation at a fair and reasonable price. (Sec. 2254 TGC)**

Test A:

A full assessment of the entire homestead file with the results in the form of totals of affected properties tallied by total (1) count* and (2) potentially erroneously exempted market value**. The results will further be delineated by the following categories:

- (a) Multiple homesteads
- (b) Deceased homeowner
- (c) Not primary residence
- (d) Other

**count totals should be based on the single property account and not based on the multiple jurisdictions that may grant the various homestead exemptions*

***because exemption amounts can vary per jurisdiction, please report the County value*

Results of Test “A” that were run against entire file including approximately 390,000 various homestead accounts by each vendor:

- Initial indications of potential erroneously granted exemptions from the three vendors ranged from approximately **9,600 to 37,000**

Test B:

Consisted of a group of properties to be determined based on the number of results in Test “A”. A random selection of results from Test A (equal to 2% of the Test “A” result) included samples of the output product that will become the deliverable under options one, two and three.

The representative sample (Test “B” 2%) was vetted by TAD staff that performed independent research on the samples to test for actual “true” result. Those results percentages were extrapolated over the Test A results:

Staff independently validated the Test “B” samples that were randomly selected by each vendor and intended to be representative of the overall sample from the Test “A” results. Each vendor described the selection process and agreed that the Test “B” samples were

representative. The Test “B” samples were researched to determine whether there was evidence of an erroneously granted exemption (TRUE), and whether there was evidence that the exemption was not erroneously granted (FALSE). Where the original indicators in Test “A” ranged from 9,604 to 36,688, the potential “true” results for the three vendors now range between approximately **4,200 to 4,900**.

TAD dedicated 5 exemption staff to review the three samples that totaled 1,171 accounts. The review was completed in approximately 4 days.

LexisNexis Risk (Tax Management Associates) provided 245 samples (2% of Test “A” original indication of 12,313 potential)

- False indications = 157 or 64%
- True indications = 88 or 36%
- *Extrapolated against Test “A” provides an indication of **4,160** “true” potential*

Linebarger Attorneys at Law provided 734 samples (2% of Test “A” original indication of 36,688 potential)

- False indications = 635 or 86%
- True indications = 99 or 14%
- *Extrapolated against Test “A” provides an indication of **4,941** “true” potential*

Tyler technologies (The Exemption Project) provided 192 samples (2% of Test “A” original indication of 9,604 potential)

- False indications = 106 or 55%
- True indications = 86 or 45%
- *Extrapolated against Test “A” provides an indication of **4,318** “true” potential*

After reviewing the data, the following are some examples of things that staff found related to accounts that were determined to be “false” indications in the various categories were:

For LexisNexis Risk (Tax Management Associates)

Deceased accounts-

- “Surviving spouse still at property”
- “New owner for 2020 exemption already had an end date”

Multi/Other accounts-

- “Owner still at property”
- “Exemptions already ended”
- “Removal process had already started”
- “New owner for 2020 exemption already had an end date”
- “Exemption belonged to previous owner”

Linebarger Attorneys at Law

Deceased-

- “Not the same person”

- “Surviving spouse still at property”
- Business-**
 - “All but one exemption was already set to end 12/31/2020. Accounts changed ownership after January 1, 2020”
- Second Homestead-**
 - “Owner exemptions ended on one property and already moved to the new property”
- No longer at property-**
 - “Owner still at property”
 - “New owner for 2020”
 - “Exemption removal process was already in process”
- Trust-**
 - “Trust information already verified or new trust”
- Rental-**
 - “Exemption already ended”
 - “Removal process was already in process”
 - “New owner for 2020, exemptions already had an end date”
 - “Owns multiple properties but claiming exemption on only one”
- May no longer live at property-**
 - “All but 5 were false. Staff verified owner still at property”

Tyler Technologies (The exemption Project)

- Deceased-**
 - “Surviving spouse still at property”
 - “New owner for 2020 exemption had an end date”
- Multi/Other-**
 - “Owner still at property”
 - “Exemptions had already ended”
 - “Removal process had already started”
 - “New owner for 2020 exemptions already had an end date”

WebEx meetings to ask clarifying questions about the proposals were held with each vendor:

Between October 22-29, 2020, WebEx conference call meetings were held with each of the three potential vendors to allow staff to get answers to any remaining questions about the test procedures followed by each vendor and any additional follow up questions as a result of the review of the RFP responses and review of reference responses.

Questions asked covered the process of selection of the random sample for Test “B” and whether each vendor believed that the sample was representative of the total indications projected in Test “A”? All three vendors explained the process and each said they believe that their Test “B” 2% sample was representative. The range of questions also included sources of data, documentation, support and manpower, best time to begin a project, expectations of length of project, payment options, additional costs expected, citizen engagement etc.

Vendors were then given a chance to ask questions of staff.

The three conference call meetings ranged in length from 1:21 to 1:30 hours.

Proposed “Not to Exceed” Costs for the three options required by RFP:

9.0 Confidentiality of Information in Bids or Proposals

9.1 Trade secrets and confidential information in competitive sealed bids are not open for public inspection. Vendors submitting bids need to identify and mark, with the word “confidential” in plain sight, any documents containing trade secrets or confidential information before it will be maintained as confidential.

9.2 If provided in a request for proposals, proposals shall be opened in a manner that avoids disclosure of the contents to competing offerors and keeps the proposals secret during negotiations. All proposals are open for public inspection after the contract is awarded, but trade secrets and confidential information in the proposals are not open for public inspection. Individuals or businesses submitting proposals need to identify and mark, with the word “confidential” in plain sight, any documents containing trade secrets or confidential information before it will be maintained as confidential.

10.0 Action by the Board of Directors

10.4 After a complete and thorough review of all quotations, qualified bids, proposals, or qualification statements, the Chief Appraiser or his/her designee will provide information, summaries, tabulations and award recommendations to the TAD board of directors when applicable. The board may review the information provided and ask additional questions to gain a clear understanding and do one of the following:

10.4.1 For bids, award the bid to either the lowest responsible bidder or to the bidder who provides goods or services at the best value for the district, or reject any and all bids and re-advertise for new bids;

10.4.2 For proposals, award the contract to the responsible offeror whose proposal is determined to be the most advantageous to the district considering the relative importance of price and the other evaluation factors included in the request for proposals. TAD’s board of directors reserves the right to reject all, or a portion of all, proposals submitted;

10.4.3 For defined professional services, award the contract to the professional service provider based on the qualifications and demonstrated competence to perform the services for a fair and reasonable fee. Fees under the contract may not exceed any maximum provided by law. For architects, engineers, and land surveyors, fees are subject to negotiation at a fair and reasonable price. (Sec. 2254 TGC)

LexisNexis Risk (Tax Management Associates):

Option 1: Basic Review Services:

\$468,000

Option 2: Intermediate Review Services:

\$509,600

Option 3: Full or “Turn Key” Review Services:

\$2,730,000 (\$5.25 per homestead)

Linebarger Attorneys at Law:

Option 1: Basic Review Services:

\$875,250 (\$2.25 per homestead)

Option 2: Intermediate Review Services:

\$1,653,250 (\$4.25 per homestead)

Option 3: Full or “Turn Key” Review Services:

\$2,236,750 (\$5.75 per homestead)

Tyler Technologies (The Exemption Project):

Option 1: Basic Review Services:

\$379,250

Option 2: Intermediate Review Services:

\$379,250

Option 3: Full or “Turn Key” Review Services:

\$1,396,920

Staff Evaluation of Proposals:

The proposal was evaluated for general compliance with the instructions issued in the Request for Proposals and in the following areas including review of references and payment options.

- | | |
|---|-------------------------------------|
| ▪ Letter of Introduction and Executive Summary | Maximum points available: 5 points |
| ▪ Project Approach and Work Plan | Maximum points available: 30 points |
| ▪ Project Team Qualifications & Relevant Experience | Maximum points available: 30 points |
| ▪ Proposed Cost of Service | Maximum points available: 35 points |

Total Score (100 possible points)

Proposers were told that award of this contract will be based on the selection criteria stated above and pertinent information provided in requested Proposal Format relating to the company’s experience, qualifications, personnel, availability, approach, and capability to provide and perform all of the services necessary to complete this project in an effective and timely manner. In the evaluation of proposals, TAD reserves the right to accept or reject any and all Proposals, or separable portions, thereof, and to waive any minor irregularity, technicality, or omission if Buyer determines that doing so will serve Buyer’s best interest. Buyer may reject any Proposal not submitted in the manner specified by the RFP.

It is the general policy of the Tarrant Appraisal District, with regards to purchasing, to follow these basic guidelines:

- Encourage and seek competition among qualified vendors
- Actively pursue and obtain goods and services at either the lowest practicable cost to TAD or that provide the best value to the district
- Assure that the public resources entrusted to TAD are used appropriately, prudently, and lawfully

- Provide responsible vendors (including historically under-utilized businesses) a fair and equitable opportunity to compete for and obtain TAD’s business
- To encourage and allow qualified minority/women-owned businesses to be involved in the procurement of TAD’s goods and services
- Prohibit the discrimination of prospective vendors on the basis of race, color, religion, national origin, handicap, or sex in the award of a contract or procurement of goods and services
- To consider competition, best value to TAD, and quality of work, to be the ultimate test in contractor, subcontractor, vendor, services, professional services and supplier utilization

Final Evaluation average scoring of proposals by staff:

	Maximum Points	LexisNexis Risk Solutions	Linebarger Attorneys	Tyler Technologies
Letter of Introduction & Executive Summary	5	5	5	5
Project Approach & Work Plan*	30	21.7	21.7	30
Project team Qualifications & Relevant Experience**	30	23.3	21.7	26
Proposed Cost of Service***	35	21.7	23.3	31.7
	100	71.7	71.7	92.7

*should include the review of Test A and Test B
 **should include review of references
 ***may include review of payment options

Some representative comments from staff about the three proposals:

LexisNexis Risk (Tax Management Associates):

- “First set of data sent was easy to follow- second set of data sent to reflect the 2% sample was not provided in the same format as the first set – confusing”
- “They would need more information for better results”
- “API listed in proposal still in beginning in beginning stages and not ready to provide service”
- “Option 1 and Option 2 provide results from Accurant research only – TAD already has access to Accurant”
- “Availability of supporting documents – indicator available but what about actual documents provided?”
- “Too much to be determined at a later date”

Linebarger Attorneys at Law:

- “Data sent was easy to follow”
- “16,000 accounts included in Test A even though they had a minimal indicator”

“They would need more information for better results”

“Transfer of data concerns”

“More tax centered than exemption customer service centered”

Tyler Technologies (The Exemption Project):

“Data sent was easy to follow”

“Dashboard on website provides easy tracking”

“They can incorporate our data to create additional search fields”

“All supporting documentation would be provided”

“Proactive monitoring capabilities after initial review”

“The 9,000 on Test A only included accounts with the highest confidence level”

Staff Conclusion and Recommendation at the December 11, 2020 Board Meeting:

After review and testing, TAD staff has determined that the “intermediate” services proposed by Tyler Technologies (The Exemption Project) provides the best service and best value to TAD in providing review services for homestead exemptions that may be discovered to have been erroneously allowed, as that term is used in Chapter 11 of the Tax Code.

Agenda Item 7(c): Consideration and Approval of the Final Acceptance of the Initial Software Project and Authorization of Final Payment

In the Board's meeting on December 11, 2020, Mr. Pompa moved to table this item and requested staff bring back a full report that can be done in open session; Mr. Martinez seconded; and motion carried unanimously.

The material for this item in the December Agenda Packet is copied onto the following five pages with some formatting changes but no changes in content.

The full follow-up report that the Board requested will be presented verbally.

Action item 7(b): Consideration and approval of the Final Acceptance of the initial software project and authorization of Final Payment.

This item concerns completion status of the parties' respective obligations under a change request to TAD's contract for computer assisted computer appraisal (CAMA) software known as Aumentum.

Accent Business Services, Inc. has provided its opinion, from a software application and project management perspective, that Aumentum Technologies (a/k/a Manatron, Inc.; Thomson Reuters Tax & Accounting, Government; or TRTA Gov) ("Vendor") has met its obligations as defined in Exhibit A of the Project Implementation Change Request TX2010.014.01-CR020 ("CR020"). Accent's opinion letter is attached.

From an administrative and managerial perspective and based on Accent's opinion and on input from TAD staff and others that Vendor has met its obligations as defined in Exhibit A of that Project Implementation Change Request, Executive Director/Chief Appraiser Jeff Law recommends that the Board accept the Exhibit A deliverables.

This Board previously placed funds in the CAMA Committed Fund for future purchases of CAMA software and ancillary hardware, software and services related to that software. Funds may be moved from this and other dedicated funds only with this Board's specific authorization.

The Board contracted with Vendor to pay certain One-Time Fees. The Board previously authorized TAD to pay to Vendor one-third of the agreed total amount of the One-Time Fees that were outstanding when CR020 was executed. Amounts now in the CAMA Committed Fund are sufficient to pay the remaining two-thirds of such fees.

Staff recommends that the Board now authorize transfer of \$537,204.29 from the CAMA Committee Fund to the General Fund and authorize TAD to pay Vendor the remaining two-thirds of the agreed total amount of the One-Time Fees that were outstanding when CR020 was executed, such payment to be in full and final satisfaction of TAD's payment obligation on its Final Acceptance of the Software.

Staff Recommendation:

- 1) Accept the Exhibit A deliverables, as that term is used in CR020;**
- 2) Authorize transfer of \$537,204.29 from the CAMA Committee Fund to the General Fund; and**
- 3) Authorize TAD to pay Vendor \$537,204.29 which represents the remaining two-thirds of the agreed total amount of the One-Time Fees that were outstanding when CR020 was executed, such payment being in full and final satisfaction of TAD's outstanding payment obligation on Final Acceptance of the Software, as that term is used in CR020.**

November 23, 2020

Jeff Law
Chief Appraiser
Tarrant Appraisal District
2500 Handley-Ederville Road
Fort Worth, Texas 76118-6909

Subject: Aumentum NCD Process Review

This letter provides our opinion and results from Accent’s recent engagement with the Tarrant Appraisal District (TAD). The engagement centered on a review of Aumentum Technologies (AT) fulfillment of the specific requirements associated with Exhibit A of contractual change request TX2010.014.01-CR020. Exhibit A focused on the business process commonly referred to as “NCD” with the TAD organization.

Our engagement occurred from November 10 through November 23.

BACKGROUND

TAD has been engaged with AT (or its predecessors) since 2010. In 2013, the software provided by AT, Aumentum, was installed as the production appraisal software application for all primary operational areas at TAD. Subsequent years were spent engaged with AT for purposes of improving the software functionality, curing functional and technical defects, and further extending functionality into underserved parts of the organization.

In 2017, TAD engaged Accent in an effort to quantify the steps needed to complete Final Acceptance of Aumentum. The 2017 effort resulted in the signing of CR020 and the renegotiation of outstanding payments to AT.

In the fall of 2020, technical and business staff at TAD reached the conclusion that AT had fulfilled their commitment to TAD. In November, an outside opinion was sought to evaluate and advise senior staff as to the technical completion status of CR020—specifically Exhibit A.

Accent was engaged to provide that opinion.

APPROACH

Accent performed the following activities during the engagement period.

- Reviewed historical documentation associated with the NCD process, related contracts, and issue management.
- Reviewed NCD issues and status with TAD staff.
- Evaluated and assessed completion of each item in Exhibit A of the May 2018 change request.
- Discussed and assessed the effectiveness of the NCD process with external stakeholders.
- Discussed and assessed the effectiveness of the NCD process with internal stakeholders.

Specifically, we reviewed each item in Exhibit A with TAD technical and business representatives and gained agreement as to the status of the item. We spoke with two external process stakeholders, specifically the executive leaders of two organizations who receive the NCD file each month from TAD.

FINDINGS & CONCLUSIONS

- 1) We conclude that the 21 issues originally found in Exhibit A have all been addressed, and are either corrected in the software or otherwise addressed to the satisfaction of TAD. Some issues are completed in a form other than delivery of software. The exact status of each item is found in Attachment 1 to this letter. A summary of the issue status is shown below.

Item	Issue Count
Total issues (considers issue 194 as one)	21
Issues completed, tested, accepted, and operational in production	15
Issues where TAD determined the problem no longer required correction	4
Issues corrected by AT, but additional action remains by TAD	1
Data migration issue that is no longer a problem	1

- 2) In speaking with two organizations that consume the NCD output (electronic files that are uploaded into other software systems), we found that the monthly process has been functioning much better than it was three years ago when Accent was first asked to engage in the final acceptance process. As with any technical delivery of data, the occasional processing error or data anomaly occurs, but the process seems to function largely as intended. Continued engagement with the consumers of the NCD files is recommended as an effort to continuously improve data delivery.
- 3) In speaking with TAD business and technical staff, we found that human support of the NCD process and file creation is still needed. This occurs as part of the normal quality review, and is driven mostly by the timing of data anomalies associated with processes that span weeks or months (e.g., exemptions and deferrals).
- 4) It appears that the TAD team has become very knowledgeable in understanding and administering the Aumentum software application—especially as it relates to the NCD process. Additionally, the TAD and AT teams seem to be functioning well, with a good rapport, and are consistently engaged in the effort to continue improving the software and administrative processes. The software issue tracking, prioritization, and fix process is well established and functioning very well.

RECOMMENDATION

Accent is not a legal firm, and as such is not providing a legal opinion, however, from a software application and project management perspective, we believe Aumentum Technologies has met their obligations as defined in Exhibit A of change request TX2010.014.01-CR020.

If a legal opinion finds that all contract obligations have been satisfied, we recommend payment of funds associated with delivery of Exhibit A, as identified in item 5 of change request TX2010.014.01-CR020.

Sincerely,


 Jeff Tompkins
 Managing Partner
 Accent Business Services, Inc.

Attachment 1 |

Master Issue	Secondary Issue	Description	Status	Status Note
244	-	NCD Process – Implement RPA Edit Checks with sustained performance	Completed	In production.
216	-	Quality Control- need "Edit Check" pop-up boxes implemented for these issues	Completed	In production.
215	-	Holds on PIN/TaxYear	Delivered	Aumentum has delivered the functionality. TAD must complete configuration and make corrections to the PINs
213	-	Corrections Extract – Linked Accounts not pulling for all Tax Years	Completed	In production.
210	-	Corrections Assessment Roll – Add Criteria to the Corrections Roll process - currently hard-coding in the revobjlist. Criteria groups needed by account/tax year.	Resolved	Business process removed the need for issue as written.
209	-	Corrections Assessment Roll – Ability to easily Include Accounts on the current NCD only	Completed	In production.
208	-	Corrections Assessment Roll – Ability to easily Exclude Accounts that are Ready for a Notice	Completed	In production.
207	-	Corrections Assessment Roll – Ability to easily Exclude Accounts from the current NCD only	Completed	In production.
205	-	VIT – TCTO needs all jurisdictions (even non- collecting TaxUnits)	Completed	In production.

Master Issue	Secondary Issue	Description	Status	Status Note
204	-	Need a way to Include an Account on the NCD that is resolved informally AND already has a Notice Mail Date and a Protest Deadline Date	Resolved	TAD determined that the business process no longer supports this request
202	-	Deferrals not always getting captured on NCD	Resolved	TAD determined that the business process no longer supports this request
200	-	Class Code out of sync between RPA, Records Management and AA.	Resolved	TAD determined that the business process no longer supports this request
198	-	Assessment Roll / Corrections Roll – Update the process that creates the Certify Asmt GRMEvent to not create an event on those PINs that aren't certified at that time.	Completed	In production.
197	-	Assessment event with missing assessment row	Completed	In production.
196	-	NCD Process - Simplify process of determining what needs to be reported, extracted and marked as sent.	Completed	In production.
195	-	Corrections Extract – Need the ability to run the Tax Extract on a Daily Basis where the PINs would not have to be certified	Completed	In production.
<p><i>Issue 194 is a summary issue that clarifies a number of other issues found in Exhibit A, as well as defining some additional issues not addressed elsewhere. Many of those additional issues were originally listed to identify out-of-scope items. However, Aumentum has completed those out-of-scope items through the normal software change process.</i></p>				
194	-	Assessment Extract / Corrections Extract – Persist the data in the Extract_tables that are generated each time the extract process is run.	Completed	In production.
194	214	Corrections Extract – NCD ProcessDate needs to be populated with Event Date of GRMEvent (vs Effective Date) for non-value related changes	Completed	In production.

Master Issue	Secondary Issue	Description	Status	Status Note
194	212	Corrections Extract – Issue with the Tax Extract / NCD on how Aumentum is Pulling the Tax Authorities Associated to the TAGs by Year	Completed	In production.
194	211	Corrections Extract – Handle all Preferential Assessments	Completed	In production.
194	206	Assessment Roll / Corrections Roll – Fix logic to properly update the GRMEvent TaxYear and EffTaxYear for the CertAsmt event	Completed	In production.
194	203	Handle Accounts with Ag and Absolute Proration	Completed	In production.
194	201	Corrections Extract – Change the Tax Extract to use the AsmtTranId rather than the taxyear associated to the GRMEvent Certify Assmt	Completed	In production.
194	199	Bad Assessment Events	Completed	In production.
113	-	Nominal exemption (also "<\$500 modifier") application for minerals in AA-tested in TEST system, need verification in PROD	Completed	In production.
112	-	"New BPP in New Construction" is not necessarily reporting properly for Estimates.	Completed	In production.
106	-	Accounts losing valuation in AA and causes prior years into "On Hold" or "Need Review" status.	Resolved	Converted data issue, overcome by time.
88	-	Quality control on accounts completed (posted) in PPA that display incorrect values in AA.	Completed	In production.

Agenda Item 7(d): Consider Proposed Revision of Purchasing Policies and Procedures

Mr. Losada has proposed a revision of the District's Purchasing Policies and Procedures to add, "That any contract, Billing Agreement o(f) Letter of Agreement in excess of \$50,000 individually or in the aggregate whether provided for or not in the budget be submitted to the TAD Board of Directors for approval prior to issuance."